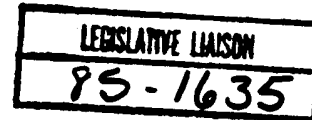




EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503
June 3, 1985

SPECIAL

LEGISLATIVE REFERRAL MEMORANDUM



TO: Department of the Treasury
Department of State
Federal Reserve System
Department of Commerce
Federal Home Loan Bank Board
Federal Deposit Insurance Corporation
✓ Central Intelligence Agency
Administrative Office of the United States Courts

SUBJECT: Draft Justice Department bill on money laundering

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The Office of Management and Budget requests the views of your agency on the above subject before advising on its relationship to the program of the President, in accordance with Circular A-19.

Please provide us with your views no later than 4 PM TODAY, Monday, June 3, 1985.

Direct your questions to Gregory Jones (395-3454), of this office.


James C. Murr for
Assistant Director for
Legislative Reference

Enclosures

cc: Frank Seidl
David Hunn
John Robinson
John Cooney
J. Gonzales

This Act may be cited as the "Money Laundering and Related Crimes Act of 1985."

Sec. 2.(a) Chapter 95 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§1956. Laundering of monetary instruments

"(a) Whoever conducts, causes to be conducted, or attempts to conduct a transaction involving the movement of funds by wire or other electronic means or involving one or more monetary instruments, which in any way or degree affects interstate or foreign commerce, or conducts, causes to be conducted, or attempts to conduct such a transaction through or by a financial institution which is engaged in, or the activities of which affect, interstate or foreign commerce in any way or degree --

"(1) with the intent to promote, manage, establish, carry on, or facilitate the promotion, management, establishment, or carrying on, of any unlawful activity; or

"(2) knowing or with reckless disregard of the fact that such monetary instruments or funds represent the proceeds of, or are derived directly or indirectly from the proceeds of, any unlawful activity

shall be sentenced to a fine of not more than \$250,000 or twice the value of the monetary instruments or wire transferred funds, whichever is greater, or imprisonment for not more than 20 years, or both.

"(b) Whoever conducts, causes to be conducted, or attempts to conduct a transaction described in subsection (a) is liable to